



**SAN LUIS OBISPO
LOCAL AGENCY FORMATION COMMISSION
FEBRUARY 18, 2010**

Call to Order:

The San Luis Obispo Local Agency Formation Commission meeting was called to order at 9:01 a.m. on Thursday, February 18, 2010 in the Board of Supervisors Chambers at the County Government Center in San Luis Obispo, California by Chairman David Brooks.

Roll Call:

Present: Commissioners Katcho Achadjian, Bruce Gibson, Vice Chairman Richard Roberts, David Brooks and Chairman Duane Picanco and Alternate Commissioners Ed Eby, James R. Patterson, and Kris Vardas

Absent: Commissioner Allen Settle and Alternate Commissioner Tom Murray

Alternate Commissioner Patterson sat for Commissioner Achadjian, who was in the audience. Alternate Commissioner Kris Vardas sat for Commissioner Settle

Staff:

David Church, LAFCO Executive Officer, Raymond A. Biering, LAFCO Legal Counsel, Donna J. Bloyd LAFCO Commission Clerk.

Pledge of Allegiance: Led by Commissioner Brooks

Special Presentations:

Chairman Picanco presented Commissioner Brooks with a plaque thanking him for his service as the LAFCO Chairman for 2009.

Former Commissioner Barbara Mann received a plaque thanking her for her many years of service to LAFCO. Chairman Picanco presented the plaque to Mrs. Mann and thanked her for her service and hard work on the LAFCO Commission.

Non-Agenda Public Comments: None

Consent Agenda: No Items

Regular Matters: No Items

Special Matters:

Item A-1: LAFCO 2-S-09, Study Session for the Public Review Draft Sphere of Influence Update and Municipal Service Review for the Nipomo Community Services District.

LAFCO Executive Officer, Mr. David Church, introduced this item and provided a Power Point presentation.

Mr. Church stated that the Sphere of Influence Update (“SOI”) and Municipal Service Review (“MSR”) for the Nipomo Community Services District (“NCSD”) had been distributed for a 45-day public review period, which will end on March 22, 2010. He added that a jurisdiction’s SOI must be updated every five years. Mr. Church indicated that the NCSD had submitted a variety information to LAFCO to aid in the SOI Update process.

Mr. Church stated that the MSR Chapter Three is used as the information base to update the SOI. It also addresses six factors from the Cortese-Knox-Hertzberg (“CKH”) Act.

Mr. Church stated that the SOI Update Chapter Two covered a description of areas within the NCSD, the Memorandum of Agreement (“MOA”) between the NCSD and the County of San Luis Obispo (“County”), and the SOI recommendations and conditions. He stated that Chapter Two addresses four factors from the CKH Act.

Mr. Church stated that about 850 acres in Study Area 4 are planted in strawberries. He stated that Strawberries bring a profit of between \$36,000 and \$40,000 per acre.

Mr. Church stated that the conditions of approval are discussed in Chapter Two of the SOI and that modifications are suggested and that most of the conditions are still applicable.

Mr. Church noted that the MOA is between the NCSD and the County. He added that the NCSD will not extend sewer services to certain areas and that the County does not intend to increase density outside of the Urban Reserve Line (“URL”).

Regarding the water situation in the NCSD, Mr. Church summarized the actions taken by the NCSD, to wit: The NCSD is well-organized as well as customer-service oriented, it has a very informative website, it carefully considers decisions and plans for the future, and it is financially stable and has reserves.

Commissioner Gibson had questions about the Conditions of Approval in the MOA with the County.

Mr. Church stated that he will meet with the NSCD and the County to discuss the Conditions of Approval.

Commissioner Gibson stated that he thought a discussion and a MOA between a district and the County should be a LAFCO standard.

Commissioner Patterson had a question about the acreage planted in strawberries.

Mr. Church stated that those acres in Study Area 4 would be disconnected from the NCSD if the recommendation is approved. The County has no plans for growth in that area and that the NCSD can serve a noncontiguous area, such as those that are zoned recreation and commercial services.

Commissioner Patterson asked about the current treatment and use of wastewater in the NCSD.

Vice Chairman Roberts asked who receives the water assessments reports.

Vice Chairman Roberts also asked about the Intertie funding source.

Commissioner Gibson asked if the recreation and commercial portions of an area were going to be excluded from the SOI.

Mr. Church stated that the area in question was already developed and could benefit from District services.

Commissioner Vardas asked if there was any thought to consolidate the separate water purveyors in the NCSD.

Mr. Church stated that LAFCO has no authority over water purveyors. He stated that the residents of the NCSD could get water from the NCSD rather than from a private purveyor.

Chairman Picanco asked who monitored the water purveyors.

Mr. Church stated that the Santa Maria Groundwater Basin is adjudicated with regard to how the water is used. He stated that the Department of Corporations is a state agency area and monitors of the purveyors. He indicated that Mr. LeBrun, General Manager of the NCSD would have more input on the question.

Chairman Picanco opened the Item to Public Comments.

Mr. Mike Winn, member of the NCSD Board of Directors, stated that he felt that there were 17 changes to be made to the SOI Update/MSR and enumerated those changes.

Mr. Michael LeBrun, Interim Director of the NCSD, answered several questions from the Commissioners. He addressed waste water reuse, Blacklake water reuse, the intertie project, finances and construction, the MOA between the City of Santa Maria and the NCSD, and water monitoring.

He stated that the golf course landscaping is watered using recycled water from the Blacklake sewer plant. He added that the NCSD returns approximately 56% of its water to the water basin, and that 44% of the water evaporates from being used for agricultural irrigation.

Vice Chairman Roberts asked Mr. LeBrun if the state or County had requirements on the amount of water used by the purveyors.

Mr. LeBrun stated that the County did not require water meters to be installed so there is no record of the amounts pumped from the water basin, by small purveyors.

Vice Chairman Roberts asked who gets the information that is collected.

Mr. LeBrun stated that a technical group has been created to review the groundwater monitoring data provided to the Courts.

There was more discussion among the Commissioners regarding the water situation in the NCSD, the annual safe yield, the basin's potential overdraft, the acre-feet that the NCSD will receive from the City of Santa Maria, possible increases in water rates, and the NCSD's water conservation plan.

Chairman Picanco asked why the NCSD did not require both water and sewer hookups from

its residents.

Mr. LeBrun stated that septic tanks are used in the rural areas and that their effluent is not a threat to the water basin.

Commissioner Eby asked if, hypothetically, 5,000 acres were annexed into the NCSD, could those acres be served by the existing NCSD staff.

Mr. LeBrun responded that they could not be served. He added that the NCSD would add staff as needed.

Chairman Picanco closed the item to public comments and opened it to Commissioner Comments and Questions.

Commissioner Gibson asked Mr. Church about Mr. Winn's enumeration of changes.

Mr. Church stated that the period for receiving comments from the public will end on March 22, 2010 and that all comments will be reviewed.

Motion was made by Commissioner Vardas to receive the Draft Sphere of Influence Update and Municipal Service Review for the Nipomo Community Services District. Commissioner Gibson seconded the motion.

AYES: Commissioners Vardas, Gibson, Brooks, Eby, Vice Chairman Roberts, Patterson, and Chairman Picanco

NOES: None

ABSTAIN: None

The motion carried with a unanimous roll call vote.

Item A-2: Directory of Local Agencies 2010 Update.

Mr. Church introduced this item and provided a Power Point presentation.

Mr. Church stated that the Commissioners should by now have received a CD with the LAFCO Directory of Local Agencies 2010. He stated that the directory/disk includes information about each city and special district in the County. Mr. Church stated that the Directory is available on a CD, as a hard copy and is on the LAFCO website.

Vice Chairman Roberts asked about the cost of the hard copies of the Directory. He asked if the hard copy could be eliminated.

Mr. Church stated that the cost per hard copy is approximately \$6-\$7 and that individuals who request a Directory are charged \$10 per copy.

Alternate Commissioner Patterson asked if County libraries received a hard copy of the Directory.

Mr. Church stated that County libraries do receive a hard copy of the Directory.

Commissioner Comments: None

Legal Counsel Comments: None

Executive Officer's Comments:

Mr. Church stated that nominations to replace the Special District Member of the Commission are proceeding, with the nomination period closing on February 11, 2010.

Mr. Church stated that the City of Pismo Beach will soon release the Price Canyon Master Plan and that he had written a letter to City Manager Kevin Rice regarding the MSR update for that project.

Mr. Church also stated that the process of recruiting a LAFCO analyst closed on February 16, 2010 and that 19 applications had been filed.

Commissioner Patterson asked about the recruiting and selection process.

Mr. Church stated that first there is a "paper screening" and then there is an interview of applicants by a panel and, finally, an interview with the Executive Officer.

Mr. Church noted the dates for the CALAFCO 2010 Annual Conference and the CALAFCO Staff Workshop.

Adjournment: With no further business before the Commission, the meeting adjourned at 10:15 a.m. until the next meeting scheduled for March 18, 2010 at 9:00 a.m. in the Board of Supervisors Chambers at the County Government Center in San Luis Obispo.

THESE MINUTES ARE NOT OFFICIAL NOR ARE THEY A PERMANENT PART OF THE RECORD UNTIL THEY ARE APPROVED BY LAFCO COMMISSIONERS AT THE NEXT REGULAR MEETING.

Respectfully submitted,

Donna Bloyd, LAFCO Commission Clerk